



Key Interests and Policy Principles in the CALFED Bay-Delta Program

November 17, 1998

Preamble:

The Santa Clara Valley Water District (District) is the water resource management agency serving the wholesale water supply and flood protection needs of Santa Clara County. Santa Clara County is synonymous with Silicon Valley, with an export economy as high as \$40 billion specializing in knowledge-based services and high-tech manufacturing. The District provides the businesses and 1.6 million residents of the county a reliable, high quality water supply that meets or exceeds all applicable standards. The District balances its water supply and flood management operations with pro-active environmental and resource management strategies.

In an average year, water imported from the Bay-Delta watershed constitutes more than half of the supply in Santa Clara County. This imported supply is managed conjunctively with local surface and groundwater supplies. The District's Board-adopted Integrated Water Resources Planning (IWRP) strategy is predicated on existing local supplies and continued reliability of imported supplies to meet the needs of the county well into the 21st century. The IWRP strategy supplements the existing supplies with aggressive conservation, recycling, out-of-county and in-county conjunctive use, and transfer agreements. A successful long-term CALFED solution for the Bay-Delta is a critical component of the District's IWRP strategy.

The District actively seeks to incorporate and reflect community input and values in developing balanced and innovative water resource management strategies. The District believes that CALFED's ultimate success is dependent on its ability to meet all of its objectives through a balanced, progressive implementation program that culminates in a long-term, comprehensive solution for the Bay-Delta. This comprehensive solution must meet the needs of the Bay-Delta ecosystem, improve the Delta's levee stability, and improve drinking water quality and water supply reliability for all Californians.

Key Interests:

1. **Improved Drinking Water Quality.** As part of its responsibility in protecting public health, the District seeks to continually improve the quality of the drinking water it provides. The District expects improved source water quality as a result of CALFED Bay-Delta Program implementation. The District's investments in advanced treatment processes have to be complemented with significantly reduced levels of organics and

bromide in order to enable the District to meet future, more stringent drinking water regulations in an economical and feasible manner.

2. **Improved Water Supply Reliability.** The District expects its imported supplies from the State Water Project (SWP) and Central Valley Project (CVP) to become progressively more reliable as the CALFED solution is implemented. Specifically, the District expects its SWP and CVP deliveries to be at or close to full entitlement supplies under most year types. The District will not accept an imported supply that is less reliable or in reduced quantities than that afforded by the Bay-Delta Accord conditions.
3. **Healthy Ecosystem.** The District supports improving the ecosystem functions and health of the Bay-Delta, as evidenced by the District's \$1 million contribution to the Category III Program. In addition, the District believes that local environmental improvement efforts within Santa Clara County also contribute to enhancing the Bay-Delta ecosystem.
4. **Efficient Water Use.** The District is committed to achieving high efficiency in water use through conservation and recycling, as evidenced by the fact that it took ten years for the water use in the county to return to 1987 levels while the county was experiencing a period of rapid growth. The District is committed to further water use efficiency as a way to reduce future demand. However, CALFED must promote the necessary financial investments and incentives along with institutional support in advancing demand management programs in order to achieve significant gains in conservation and meet the ambitious recycling goals.
5. **Affordable Solution and Equitable Cost Allocation.** The long-term Bay-Delta solution must be affordable. The allocation of costs must be equitable, and be commensurate with improved drinking water quality, water supply reliability, levee stability, and environmental benefits.
6. **Long-term Assurances and Regulatory Certainty.** The District expects CALFED to provide assurances that long-term improvements in drinking water quality and water supply reliability will materialize and that all beneficiaries will progress on an equal basis. Regulatory agencies must provide assurances for continued stability to encourage continued participation in improving environmental conditions.
7. **Improved Linkages to Other Programs.** The District supports integration and coordination between the CALFED Bay-Delta Program and other related programs to maximize efficiency in achieving similar objectives. One area of possible integration and coordination is in CVPIA implementation, in the areas of: environmental objectives, environmental fees or assessments, project compliance issues, and in management and decision-making processes.

Policy Principles and Expectations:

1. **CALFED must meet urban water agencies' needs for improved water supply reliability and improved drinking water quality to ensure public health.** In order to secure the District's continued support, CALFED must provide for continuous progress and improvements in meeting the District's needs for improved drinking water quality and water supply reliability.
2. **Program development and implementation must be balanced.** CALFED must develop a solution package that is balanced and provide for equal progress in meeting the four program objectives throughout the implementation process.
3. **The Program must build towards a long-term solution.** CALFED's mission is to develop a comprehensive, long-term solution for the Bay-Delta. While it may be necessary to implement the solution in phases, the implementation must lead to an ultimately successful and robust resolution of issues facing the Bay-Delta.
4. **Decision-making process must be open, inclusive, based on best available information, objective criteria, and adherence to defined schedules.** CALFED must assure that the decision-making process includes meaningful participation by stakeholders, and is based on best available scientific or technical information to be objectively evaluated against accepted criteria. The District views a credible decision-making process as critical and stands ready to participate in support of such an inclusive process. In CALFED's conditional decision-making framework, any pre-approved or contingent program elements must continue to progress expeditiously to completion as long as the pre-conditions are met. The District expects that CALFED's Programmatic EIR/EIS will contain the necessary analysis and findings to ensure that future potential projects can be implemented without additional programmatic analysis and delays. Specifically, planning, design, and potential construction of agreed-upon elements of storage and conveyance facilities contained in the preferred alternative must continue to proceed while the common program elements are being implemented.
5. **Long-term assurances must be provided.** CALFED must provide assurances that the long-term management and operation of the Bay-Delta system will provide the stability and regulatory certainty that stakeholders expect. Regulatory agencies cannot impose additional requirements or "outliers" that exceed the agreed-upon operating framework.
6. **Costs must be commensurate with benefits received.** The District is committed to "paying its fair share" of the CALFED Program costs and making further investments in conservation and recycling as long as there are demonstrated water supply, drinking water quality, and environmental benefits to justify the costs.

7. **Solution principles must be adhered to from program development to program implementation.** CALFED must adhere to its solution principles of: affordable, equitable, implementable, durable, no re-directed impacts, and reduce conflicts in the system, from development of the program package and financing to each phase of program implementation.